

TO: Mayor & City Council

FROM: Tom Williams, City Manager

RE: WEEKLY ISSUES UPDATE

DATE: October 14, 2016

BUILDING AND OCCUPANCY PERMITS:

Building permit was issued to:

1. Alps Group Inc., for the construction of Springhill Suites, a new 5-story 128 rooms hotel located at 1201 Cadillac Court an at an estimated construction cost of \$9.96M.

Building permit applications were submitted by:

1. North Milpitas Self-storage, for the construction of 7 new self-storage buildings located at 1 Hanson Court at an estimated construction cost of \$5.69M.
2. Xcerra Corporation, a new semiconductor manufacturing company, for tenant improvements at their facility located at 880 North McCarthy Boulevard at an estimated construction cost of \$1.38M.
3. Semi, a new semiconductor manufacturing company, for tenant improvements at their facility located at 673 South Milpitas Boulevard at an estimated construction cost of \$862,500.
4. WestRock, packaging manufacturing company, for tenant improvements at their facility located at 201 South Hillview Drive at an estimated construction cost of \$522,000.
5. Great Mall, for remodel of existing food court restrooms located at 1100 S. Main St. at an estimated construction cost of \$508,000.

Occupancy permit applications were submitted by five new businesses moving to Milpitas:

1. Queen's café, an American-Chinese café located at 372 Barber Court.
2. TSI Semiconductors Co., satellite office at 1900 McCarthy Boulevard.
3. Alliance Solutions LLC, general office for the computer parts export business to Hong Kong located at 318 South Abel Street.
4. GMEMS Technologies Inc., research and development company specializes in MEMS sensors moving from Santa Clara to 366 Fairway Way.
5. Taiwan Street Snacks Franchise Inc., Taiwanese fast food located at 522 Barber Lane.

CONSTRUCTIONS UPDATE:

Traverse, 206 residential unit's townhome development by K. Hovnanian located at 569 Trade Zone Boulevard:

Five more unit were finaled at the development, 93 homes are now occupied, 12 are models and 101 are in various stages of completion. See picture to the right.



Physical Rehabilitation Network located at 500 East Calaveras Boulevard: To allow earlier start of operation, a temporary occupancy permit was issued to Physical rehabilitation network, a physical therapy office for suite 112 only.

POLICE DEPARTMENT UPDATE:

On **Monday, October 10, 2016**, Chief Pangelinan attended the fifth workshop of the Police and Community Education Seminar (PACES) and answered questions from the audience. Officers also presented information on arrest and control tactics.

RECREATION DEPARTMENT UPDATE

CLASS & PROGRAM REGISTRATION REVENUE: Fall registration began on August 9, 2016 and to date has brought in **\$147,823.96**, which is 86% of last year's Fall total.

YOUTH PROGRAMS:

Pre-K Enrichment. To date, we have received **97 enrollments**.

Recreation Assistance Program (RAP) offers financial assistance to Milpitas families that wish to participate in Recreation Services programs. To date we have **approved 39 families** for access to RAP funding and awarded **\$3,084.50**.

After The Bell (ATB) registration for 2016-17 is broken down below for each school's enrollment to date:

School	Total # of Enrolled Students	Max Capacity	Waitlist
Burnett	65	65	0
Curtner	90	90	28
Spangler	45	45	1
Weller	43	45	0
Zanker	80	80	21

The After the Bell students participated in two highlighted activities. With Halloween right around the corner, on **Wednesday October 12, 2016**, students participated in an art & craft activity called, "Lollipop Ghosts".

On **Friday October 14, 2016**, students participated in Asset Hour, derived from Project Cornerstone's, 41 Youth Developmental Assets; each month ATB highlight one asset. October's asset was #2, Positive Family Communication. Staff lead a discussion with students about the importance of positive family communication using Project Cornerstone's talking points. After students played communication games such as "Telephone" and "Poop Deck."

MILPITAS SPORTS CENTER PROGRAMS: The Milpitas Sports Center attracted an outstanding number of participants in fitness and wellness classes during the week of October 10, 2016. **Water Fitness** (37), **Zumba** (40) and **Yoga** (38), the classes continue to provide the community with challenging, fun and exciting avenues to improve their health. The Adult Sports Programs, including **Open Gym Pickleball**, **Volleyball**, and **Basketball**, attracted **320 participants** for the week.

AQUATIC PROGRAMS:

Milpitas Tidal Waves (MTW). The Jr. Warriors program for grades 1-6 began currently has 240 participants registered. There are 53 children currently on the waiting list. Enrollment for MTW has nearly doubled since its return in August. Coaches hosted a successful parent meeting on Wednesday, October 5, 2016 to review how to register athletic events on Swim Connection. The first official swim meet is scheduled for October 29-30, 2016 and is titled SUNN Swim Meet. This meet will be located in Sunnyvale.

BARBARA LEE SENIOR CENTER:

Presentation

The Senior Center offered an AARP Smart Driver course on Thursday and Friday, October 13-14, 2016. The 8-hour course was for older adults who were new to the course or took it over 3 years ago. The course highlights safety strategies that reduce accidents; how safer behaviors are encouraged by identifying the links between the driver, vehicle, road, and environment; advanced safety features in newer vehicles; and explores different way of traveling without a vehicle. Many auto insurance policies provide discounts for completing the course.

UPCOMING SENIOR CENTER EVENTS:

Monday, October 17: Senior Center Art Show (Artists' reception, 10/18 at 10:30am)

Tuesday, October 18: 10:00am - Kaiser Permanente Senior Advantage presentation (Open Enrollment)

Thursday, October 20: 10:00am - Easy Choice presentation (Open Enrollment)

Friday, October 21: 10:00am - Stanford Medicare Advantage presentation (Open Enrollment)

UPCOMING EVENTS:

Saturday, October 15, 2016 – 10:00AM – 4:00PM:
Veterans Car Show

Saturday, October 22, 2016 – 9:00AM – 2:00PM:
Pumpkins In The Park and Health 'O Ween Fun Run

Thursday, December 1, 2016 – 6:30PM – 8:30PM:
Annual Tree Lighting Ceremony – “The Magic of the Holidays”

Saturday, December 10, 2016 – 10:00AM – 11:30AM and 12:00PM – 1:30 PM:
Milk & Cookies with Santa

ATTACHMENTS:

Utility Engineering: Environmental Services Update - Land Development

¹ Bay Area Water Supply and Conservation Agency Statement (Attachement at the end of this report)

Engineering Weekly Report October 14, 2016

Utility Engineering – Environmental Services Update

Water Supply: The State Water Resources Control Board released a new proposal that could cause substantial reduction of water from the Tuolumne River to the SFPUC water service area. The ¹ Bay Area Water Supply and Conservation Agency response and a San Francisco Chronicle Op-Ed piece written jointly by BAWSCA and SFPUC. Staff will monitor the situation.

BART Construction (at nearly 80% complete) will create intermittent traffic impacts in the following areas:

- **Montague Expressway:** Montague Expressway now has a street-level bridge that will pass over future BART that is in a trench below. To minimize impacts to the travelling public during peak commute hours in the AM and PM, all lanes will be open. The contractor for the County's Montague Widening project, OC Jones, has shifted traffic to the south side of Montague Expressway and work on the north side continues. They have also placed barriers on the east and west sides of South Milpitas Boulevard. To accommodate that work, the contractor was authorized to restrict large trucks from turning right onto South Milpitas Boulevard from westbound Montague Expressway. This was implemented on June 4, 2016 and is expected to last through the fall of 2016. Outreach has notified all of the businesses in the area, as well as trucking companies and brokers. A Community Information Meeting was held on Monday September 12, 2016 at the Barbara Lee Senior Center regarding the upcoming South Milpitas Boulevard full closure, which is currently scheduled to begin on October 14, 2016, and last for approximately 5 weeks. In addition, the SCVWD/Army Corps of Engineers discussed the upcoming construction for their Berryessa Creek improvement project. Finally, OC Jones has been authorized to perform night work within Montague Expressway, Gladding Court, and South Milpitas Boulevard through the week before Thanksgiving.
- **Capitol Avenue:** SSH began their final reconstruction of Capitol Avenue on Monday, May 9, 2016. This work requires a northbound lane reduction, from the southerly City limits to Montague Expressway, and is expected to last through the fall of 2016.
- **Dixon Landing Road:** SSH will periodically require single lane closures during the off-peak hours for other remaining work. A new left-turn lane, from southbound Milmont Drive, was installed through the median in order to provide an alternate access to the "7-11" shopping center. This will be removed and the median will be restored, now that the alternate "7-11" driveway on Dixon is reopened in mid-March 2016.
- **Piper Drive:** One lane in each direction was re-opened to the public since May 2, 2014. Single-lane closures may periodically be required to allow final improvements to the roadway and the at-grade UPRR crossing.

Design & Construction

Projects Impacting the Public:

- Alviso Adobe Phase V – Interior Restoration (CIP 5055): This project provides for the restoration of the first floor of the Alviso Adobe. A design contract was approved by the City Council on August 16, 2016. The Project design kick off meeting will be held by the end of October.

- Marylinn Drive Sanitary Sewer Replacement (CIPs 6115 & 6116): This project provides for the replacement of a 27" & 30" diameter sanitary sewer pipeline along Marylinn Drive and under I-880. The consultant is proceeding with a CIP design to line the existing pipes as a cost savings measure. 50% design plans were submitted and reviewed. Staff reviewed and responded to the 85% design documents. The design consultant is completing the design process and is working to obtain permits from regulating agencies such as Caltrans, SCVWD, and California Department of Fish and Wildlife. Permits are anticipated by the end of November 2016.
- Milpitas Sports Center Pool Repairs (CIP 3408): The project repaired and resurfaced three sports center pools. Construction was completed on time and within budget on May 5, 2016. Council approved initial acceptance of the project on September 20, 2016, and the project is in the one-year warranty period.
- Light Rail Median Landscaping (CIP 2001): This project provides for landscape improvements within the medians along Great Mall Parkway, from I-880 to the southern City limits. The new landscape will be irrigated with recycled water. The Project currently re-advertised with scheduled bid opening on November 2, 2016 at 2:00pm.
- Dempsey Road Water line Replacement (Projects 3709, 7100 & 7118): This project provides for the replacement of the water main and storm drainage lines along Dempsey Road, from Yosemite Drive to Calaveras Boulevard, and will install a recycled waterline along the alignment. The design of the storm, water and recycled lines is underway. The designer is preparing the 98% plans which includes incorporation of the City's comments on the 50% plans. Additional field investigation is necessary to identify potential conflicts with the existing utilities, therefore, the 98% plans are now scheduled to be ready for City review by December 2016. Permit applications have been prepared and submitted for review by the various agencies impacted by the project. In addition, the designer is also preparing the documents needed to obtain the required easements for the project.
- Street Light Improvement Project (CIP 4266): This project provides for various improvements to renovate and replace some of the aging street light infrastructures. As part of this project, a number of existing street lights will be converted to energy efficient Light Emit Diode (LED), in a pilot program. The initial phase of the pilot program was completed in early September, 2014. 1,000 LED street light fixtures have been installed at various streets in the City. Anticipated annual energy savings is approximately \$54,000, per year, as a result of this project.
- 237/McCarthy Boulevard Median Landscaping (CIP 4274): This project provides for median landscaping and irrigation, for the medians at the 237/McCarthy Boulevard Interchange. A Funding Agreement, between VTA and the City, was executed in 2012 to provide partial funding for this project and to allow VTA to administer the construction. The creation of a new CIP project, with additional funding, will be needed to construct this project. City staff is assisting VTA with the preparation of final plans for the work on the McCarthy Boulevard medians from Ranch Drive to Bellew Drive. Staff is working with VTA to develop the project schedule for advertisement and project construction.
- Milpitas Midtown East Parking Garage (CIP 3407): The project provides for the electric motor operation of fire doors within the garage and library. The contractor has started installation of the new electrical panel and related conduits. Work continues with preparation for new door operators.
- Berryessa Creek Improvement Project (Army Corp of Engineers/SCVWD): The Santa Clara Valley Water District (SCVWD) and the Army Corp of Engineers are completing the design for a project to improve Berryessa Creek, from south of Montague Expressway to State Route 237 (Calaveras Boulevard). Construction is anticipated to start in 2017. The Army Corp has completed the design and awarded the project to a contractor.

- Sports Center Sports Fields (CIP 5104): This project provided for the installation of a synthetic turf football/soccer field and a smaller multi-purpose field, including lighting and related furniture and equipment. Construction was completed. Staff and the contractor are working on project close-out in preparation for initial acceptance by the City Council.
- Higuera Adobe Park Renovation (CIP 5097): This project provides for the renovation of the picnic area and replacement park play equipment. Parking lot surface improvements and ADA access improvements are also included. The concept plans were brought to the PRCRC meeting on March 7, 2016. Plan Approval was completed on June 7, 2016. The project plans and specifications are being advertised for bid opening in November, 2016.
- Bridge Improvement Project (CIP 4271): This project provides for the repair and resurfacing of City-owned bridges as identified by Caltrans as deficient and in need of maintenance. The contractor is currently working through the construction submittal process and intends to start work on October 26th, 2016. Day work will require one-way traffic controls on the bridges which will cause minor traffic delays. Night work may generate construction noise but less traffic impacts are anticipated. The contractor has requested the City allow a change to the contract with the additional of a new subcontractor. The requested change is required to be approved by the City Council and has been added to the October 18, 2016 agenda.
- Wrigley-Ford Creek Erosion Repair (CIP 3700 & 3706): This project will provide for the repair of significant erosion damage to the Wrigley-Ford creek riparian mitigation area. Construction is complete. Project will be brought to City Council for acceptance on November 15, 2016.
- Cathodic Protection Improvement – Main Sewer Pump Station (CIP 7115): This project provides for the installation of corrosion protection for the sewer force main system within the Main Sewer Pump Station at North McCarthy Boulevard. The project will also evaluate the City-owned sewer force main system between the Main Sewer Pump Station, at North McCarthy Boulevard, and the San Jose Wastewater Treatment Plant, at Zanker Road. The evaluation is an update to the City's 2012 Annual Survey and Cathodic Protection Condition Assessment. Bid package for advertisement for work within the Main Sewer Pump Station is being prepared.
- McCandless Park Project (CIP 5102): This project provides for a new public park, adjacent to the new Milpitas Unified School District elementary school, located on the east side of McCandless Drive, south of Montague Expressway, in the Transit Area. The park will provide approximately 4 acres of City public park space which will include play fields, athletic courts, parking, picnic area, play structure, and restrooms. A preferred concept plan to maximize right of way to accommodate both the park, a joint use area, and the school is being prepared. Once the final conceptual plan has been approved by the City Council, the consultant will commence with the creation of the construction drawings.
- Utility Underground 2017 Project (CIP 3425): This project provides preliminary engineering, support services, and coordination to the Pacific Gas & Electric Company (PG&E) for the creation of a new Rule 20A Utility Underground District (UUD) on Corning Ave. from South Main Street to North Abel Street and South Main Street from Corning Avenue to East Curtis Ave. The new underground district will utilize PG&E's Rule 20A funds for construction of the utility undergrounding of existing overhead pole mounted electric, cable, and AT&T lines along South Main Street and Corning Avenue. HMH was awarded the contract on August 17, 2016 to provide support services for this project. Staff is generating a cost estimate for the City's portion of construction activities related to the undergrounding work that are not eligible for use of Rule 20A funds such as street lighting installation, disposal of hazardous materials, and for providing new utility easements. Staff sent a Memorandum to the City Manager on September 27, 2016 outlining the cost and work that are not eligible for use of Rule 20A funds. Staff has been authorized to proceed with the notices and public hearings for the underground district.

- **New Midtown Street Light Project (CIP 3430):** This project provides for the phased installation of Midtown standard decorative street lighting along S. Main St. from Carlo St. to Great Mall Parkway. The first segment of lighting design and installation will be from Carlo St. to just north of Corning Ave. HMH was awarded the contract on August 17, 2016 to provide design services for this project. The conceptual lighting design was submitted on September 27, 2016 and the City's staff has provided HMH with comments on 10/10/2016.
- **TASP Underground Utility District (CIP 4281):** This project provides for the creation of a new utility underground district to underground existing overhead PG&E, Cable TV and AT&T lines within TASP redevelopment area along South Milpitas Boulevard and Montague Expressway. The new district would be administered by the City and the design and construction to be completed by PG&E using the City's and County's Rule 20A funds. VTA is installing the new undergrounding substructure for AT&T and PG&E (at risk) as part of the BART project at their cost. Staff is generating a cost estimate for the City's portion of construction activities related to the undergrounding work that are not eligible for use of Rule 20A. Staff sent a Memorandum to the City Manager on September 27, 2016 outlining the cost and work that are not eligible for use of Rule 20A funds. Staff has been authorized to proceed with the notices and public hearings for the underground district.
- **Street Resurfacing 2016 Project (CIP 4280):** This project provides for the asphalt concrete pavement overlay including the replacement of damaged curb, gutter, and sidewalk, and the installation of new code compliant ADA curb ramps. Streets included in this project are McCarthy Boulevard from Barber lane to Tasman Drive and Tasman Drive from McCarthy Boulevard to Alder Drive. City Council awarded Construction contract to O'Grady Paving, Inc. on August 2, 2016. Contractor continues with miscellaneous concrete work. Asphalt concrete overlay for Tasman Drive is scheduled for this coming Saturday.
- **Electrical Vehicle Charging Stations (CIP 4276):** This project provides electrical charging stations to the public at City Hall parking lot and Milpitas library garage. Two Level 2 electrical vehicle charging stations have been installed and activated at the City Hall parking lot. The electrical charging stations will be installed and energized in December 2016.

Land Development (Private):

UNDER CONSTRUCTION (ONSITE & OFFSITE) ACTIVE PROJECTS	
DESCRIPTION	IMPACT
<u>Harmony, DR Horton, McCandless Drive (PJ2709):</u> This project will construct 276 single family attached homes and condo units off the south west portion of McCandless Drive. McCandless Drive is now open for through access to the public. Montague Expressway frontage improvements are nearing completion.	Possible traffic delays on McCandless Drive
<u>District 2, Taylor Morrison, McCandless Drive (PJ2825):</u> This is a medium density residential project off the northerly portion of McCandless Drive. Off-site improvements at McCandless Drive are substantially complete. Revised off-site storm water treatment improvements on Newbury are complete. McCandless Drive is now open for through access to the public.	Possible traffic delays on McCandless Drive
<u>Metro, Pulte home, 1401 South Milpitas Boulevard (PJ 1211):</u> This project will construct 318 residential units in total, at the intersection of the future Garden Street and South Milpitas Boulevard. Lot 1 is under construction. Public improvements for South Milpitas Boulevard have been approved. Lots 2-4 are in the building permit stage. The site improvement permit was issued, the on-site irrigation plans have been reviewed twice, and the final map was approved by council on 9/6/2016 and it is ready for recordation.	Traffic delays on South Milpitas Boulevard

Cobblestone, Tripointe, 345 Los Coches Street (PJ2792): This project will construct 32 single-family residential units on 2.655 acre property at the northwest corner of Milpitas Boulevard and Los Coches Street. Improvements along the South Milpitas Boulevard and Los Coches Street frontages are complete but not yet accepted. The on-site recycled water plans have been approved by the Department of Drinking Water and the building permit has been issued. There is a revision to the site improvement permit for a neat seat wall at three (3) lots.	No traffic impact
Orchid, DR Horton, 31 South Milpitas Boulevard (PJ2812): This project will construct 80 single-family detached units with related infrastructure (water, sewer, storm drain and other utilities and improvements along Los Coches Street and Milpitas Boulevard). An Encroachment Permit for all off-site improvements and a site improvement permit for onsite improvements have been issued. The recycled water deferred submittal has been approved by SBWR. Frontage improvements and paving operations are complete. Trail improvements are under construction.	Possible traffic delays on Los Coches Street
PACE, Trumark, 324 Montague Expressway (PJ2762): This project will construct 42 single-family detached units and 91 condominium units at the corner of Trade Zone Boulevard and Montague Expressway. Improvements along Trade Zone Boulevard and Montague Frontage are not completed. The VTA requires ADA access to an existing bus stop; the plans have been reviewed and approved and are waiting for an encroachment permit from Santa Clara County to do work in their right-of-way. The project is nearing completion.	No traffic impact
Citation 1 (north portion of Piper Drive) (PJ2527): This project will construct 94 townhouse units and two apartment buildings, totaling 638 units. On-site construction is complete. Off-site improvements are under construction.	No traffic impact
Traverse, K. Hovnanian, 569 Trade Zone Boulevard (PJ2874): This project will construct 207 residential townhome units on 12.5 acres of land with new public roadway system and a public park. The project is located within the TASP area, east of Montague Expressway on Trade Zone Boulevard, near the future BART station. The project is under construction and the off-site improvements are almost done.	No traffic impact
Waterstone, Lennar Homes, 1494 California Circle (PJ2830, PJ1160): This project will construct 84 single-family residential units on an existing industrial site.	Possible traffic delays along California Circle and I-880 ramp
District 1, Lots 2, 3A and 4, Lyons, 1320 McCandless Drive, 1425 McCandless Drive and 1310 McCandless Drive/1463 Centre Pointe Drive: This project will construct 3 high-density residential and mixed use projects. These will consist of: <ul style="list-style-type: none"> • 235 residential units and 3,976 square feet of retail on Lot 2; • 175-room hotel, 55,000 square feet of retail and 385 residential units on Lot 3A; • 4,660 square feet of retail and 192 residential units on Lot 4. The project is located within the TASP area. There will be off-site improvements on McCandless Drive, Great Mall Parkway and Centre Pointe Drive. The demolition permit for Lot 2, Lot 3A and Lot 4 have been issued. Lot 2 has made a 2 nd submittal for a grading permit. The off-site improvement plans for Lot 2 on McCandless Drive have been submitted for their first review and comments sent to applicant.	Possible traffic delays on McCandless Drive, Great Mall Parkway and Centre Pointe Drive
Piper, KB Homes, 1256 Piper Drive (PJ1122): This project will construct 98-townhome-style condominiums and 1-condomimum tower with 210 units and the corner of Piper Drive and Garden Street. This project is located in the TASP in the Piper/Montague Subdistrict. There will be a lot line adjustment, final map, off-site improvements on Piper Drive and Garden Street. The lot line adjustment is ready for recordation; the final map is in for 2 nd review, Tract 10375; the off-site plans, E-EN16-0102, are in for 2 nd review, the demo permit has been issued, the grading has been reviewed twice, and the site improvement and building permits have been reviewed once.	Possible traffic delays on Piper Drive and Garden Street

UNDER CONSTRUCTION (ONSITE ONLY)	
Murphy Ranch Townhomes, Lyons, Coyote Creek (PJ2740): This project will construct 285 townhomes (approved as part of the Fairfield Project.) Fine grading, underground work and site improvement construction are mostly completed. The developer will coordinate traffic control with the adjacent Fairfield project. Off-site improvements have been completed and accepted by the Council with Cerano Apts. Final Occupancy punchlist (RW closeout) is in progress.	No traffic delays
District 1, Lyons (north portion of McCandless Drive) (PJ1134): This project is a mix-use commercial and high density residential development located at the northerly portion of McCandless Drive. Summary Vacation and Disposition of a portion of old Capitol Avenue were approved. Revised final map and public improvement plans are approved. Construction operation has commenced on-site and along frontage. The encroachment permit has been issued for construction for the Multi-Use Trail. The revised SWCP has been submitted.	Traffic delays on Great Mall Parkway
Palazzo, KB Homes, 1200 Piper Drive (PJ1051): This project will construct 94 townhome-style condominiums at the northeast corner of Piper Drive and Garden Street. It is located in the TASP in the Piper/Montague Subdistrict. The project is nearly complete.	No traffic delays
INACTIVE PROJECT	
Countryside Estates (PJ2889): This project will construct 6 hillside homes. The contractor will be providing traffic control, for work on Country Club Drive, when construction starts.	



Statement by Nicole Sandkulla, Chief Executive Officer of BAWSCA, about a New California State Water Resources Control Board (SWRCB) Proposal That Could Cause Bay Area Water Shortages, Job Losses, an Economic Slowdown, and Delayed Community Development

October 9, 2016

The SWRCB proposal, released on September 15th, could cause substantial reduction of water from the Tuolumne River to the Bay Area for the 1.7 million residents, 40,000 businesses, and thousands of community organizations in Alameda, San Mateo, and Santa Clara counties whose water interests BAWSCA represents.

It is entitled the *Recirculated Draft Substitute Environmental Document in Support of Potential Changes to the Water Quality Control Plan for the San Francisco Bay-Sacramento/San Joaquin Delta Estuary: San Joaquin River Flows and Southern Delta Water Quality* (SED).

The proposal's purpose is to update water-quality requirements for salinity improvement in the San Joaquin Delta and water flows in major tributaries, including the Tuolumne River, which supplies the San Francisco Regional (Hetch Hetchy) Water System (System), and for the protection of fish and wildlife resources.

BAWSCA and the San Francisco Public Utilities Commission, which operates the System, are studying the proposal, but the potential consequences of it are obvious: major job losses, slower economic growth, and delayed community development in Alameda, San Mateo, and Santa Clara counties.

Strangely, the proposal ignores how the resulting reductions in water supply would affect our residents, communities, businesses, and environment, including planned growth, urgently needed infrastructure, new schools, and business relocation to more remote and less water-efficient areas of the State.

While conservation of water is a very important responsibility for BAWSCA's 26 member agencies, it is equally important for the SWRCB to understand that municipal water users, specifically in BAWSCA's three-county service area, need a reliable supply to ensure the economic viability of their communities. Therefore, the SWRCB must propose regulations that provide a greater balance to all those that need water reliability, including our local communities.

On behalf of the water customers in Alameda, San Mateo, and Santa Clara counties served by the San Francisco Regional (Hetch Hetchy) Water System, BAWSCA asks the SWRCB to address the issues and questions raised in this letter. Specifically, BAWSCA requests that environmental and economic impacts of any shortage on the System, and the associated lost jobs and delayed development, be fully and adequately analyzed as part of the SWRCB's proposed flow alternatives and that they be given at least equal weight with the other elements of the SWRCB's subsequent deliberations and decision making.

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